

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 17352
[REDACTED],)	
)	DECISION
Petitioner.)	
_____)	

On March 17, 2003, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer), proposing income tax, penalty, and interest for taxable years 1999 and 2000 in the total amount of \$7,737.

The taxpayer filed a timely appeal. She did not submit additional information and did not request a conference. Therefore, the Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

Tax Commission records showed the taxpayer was an Idaho resident who appeared to meet the state income tax filing requirements and had not filed Idaho returns for 1999 and 2000. The Bureau attempted to contact the taxpayer for an explanation but she did not respond to the inquiries.

[Redacted] Idaho Code § 63-3045 (1)(a) states:

63-3045. Notice of redetermination or deficiency -- Interest.
(1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

The Bureau prepared returns on the taxpayer's behalf and sent her a NODD. On April 28, 2003, after receiving the NODD, the taxpayer telephoned the Bureau to discuss the determination of income and the Idaho tax due. She said she was gathering documents relating to her tax return and some of them showed withholding. She said one of the federal 1099 forms might be related to liquidating a retirement plan. She said she would be contacting the Bureau to set up a time to discuss the NODD further.

The taxpayer followed up that telephone call with a letter wherein she indicated she knew she needed to hire an accountant and get the returns prepared. She said she believed the NODD contained errors by taxing the same income twice and not allowing enough deductions.

The Bureau sent a letter back to the taxpayer to acknowledge her protest. In that letter the Bureau asked the taxpayer to provide the information she wished the Bureau to consider by June 23, 2003. The taxpayer did not comply with the request, and an additional letter was sent.

When the Bureau heard nothing further from the taxpayer, her file was transferred to the Legal/Tax Policy Division for administrative review. A letter from the Tax Appeals Specialist to the taxpayer wherein her appeal options were explained did not prompt a response from her.

Tax Commission records show that during the years 1999 and 2000 the taxpayer was an Idaho resident with Idaho sourced income in excess of Idaho's filing requirement. These facts the taxpayer does not dispute. However, she has not filed Idaho individual income tax returns for either year and has given no indication of when the Tax Commission might expect to receive those returns.

The Bureau used the income shown in federal records to calculate the taxpayer's Idaho tax amount. The standard deduction and credit for one personal exemption was allowed. The 1999 income included an amount that appeared to be proceeds from a real estate transaction and other

amounts that appeared to be distributions from pensions, annuities, retirement, or profit-sharing plans.

Withholding that was identified in Tax Commission records and a grocery credit reduced each year's tax amount. The Bureau added interest and penalty pursuant to Idaho Code §§ 63-3045 and 63-3046. The Tax Commission reviewed those additions and found them proper and in accordance with Idaho Code.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support her argument, the taxpayer has failed to meet her burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated March 17, 2003, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty, and interest.

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1999	\$ 5,142	\$ 1,286	\$ 1,385	\$ 7,813
2000	106	27	20	<u>153</u>
			TOTAL DUE	<u>\$ 7,966</u>

Interest is computed through March 15, 2004.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of taxpayer's right to appeal this decision is enclosed with this decision.

DATED this ____ day of _____, 2004.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have on this _____ day of _____, 2004, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted]

Receipt No.
